

**REMARKS – General**

*Claim Rejections under 35 USC §102:*

The most recent Office Action (OA) rejects claims 1-5, 9-29, and 33-47 as being anticipated by Holtz. Applicants respectfully traverse this rejection.

In making the traversal, Applicants rely upon MPEP §2131, which states, “A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631 (Fed. Cir. 1987). The test is the same for a method or process. Anticipation requires identity between the claimed process and a process of the prior art. The claimed process, including each and every step thereof, must have been described or embodied, either expressly or inherently, in a single reference. *See, e.g., Glaverbel SA v. Northlake Mkt’g & Supp., Inc.*, 45 F.3d 1550 (Fed. Cir. 1995). For anticipation, there must be no difference between the claimed invention and the reference disclosure, as viewed by one of ordinary skill in the art to which the invention pertains. *See, e.g., Scripps Clinic & Res. Found. V. Genentech, Inc.*, 927 F.2d 1565 (Fed. Cir. 1991).

With respect to independent claims 1 and 25, Applicants have amended these claims to recite that integrated image “...is configured to appear as a picture-in-picture display with the barker advertising the content of potential interest to the user presented as a first picture within a second picture of the video file.” Support for this amendment is found at paragraphs [033] and [053] of the specification as originally filed, as well as in FIG. 3B.

Applicants respectfully submit that Holtz fails to teach this element. Throughout Holtz’s disclosure, advertisements of content of potential interest to a user are taught as being presented to the side and away from any content or menu that may be presented. For example, at col. 16, lines 34-48, Holtz teaches a segmented program where advertisements are viewed serially with other content. This is not a picture in a picture presentation as claimed by Applicants. Similarly, at col. 18, lines 20-23, Holtz teaches providing advertisement content as “active banners, pre-roll commercials, e-mail

correspondence and similar promotions.” Again, this is not a picture in a picture presentation.

As shown in FIGS. 11-13, advertising content is presented separate from and adjacent to other content. Holtz expressly states this several times in the disclosure. For example, referring to FIGS. 11-13, at col. 43, line 50, through col. 44, line 24, Holtz describes “advertisement banners,” which are locations where advertising content is displayed. Specifically, the advertisement banner “...is a static or dynamic banner that promotes the goods or services of a sponsor. Advertisement banner 1114a can be active to require the user to scroll or click-through the banner, or passive to require no action on part of the user. In an embodiment, the sponsor can be linked to a specific segment displayed by media viewer 1102.” There is simply no teaching in Holtz of presenting a barker advertisement as a picture in a picture over a video file.

Applicants note that the most recent OA discusses the media player of Holtz providing picture in picture capabilities at col. 41, line 56, through col. 42, line 39. However, Applicants respectfully submit that this is not a teaching of presenting barker advertising content as a picture within a picture of a video file. To the contrary, Holtz teaches presenting a conventional picture in a picture video file while presenting advertising in an advertising banner in FIG. 13. Applicants respectfully note that to sustain a rejection under §102, “every element of the claimed invention must literally be present, arranged as in the claim...The identical invention must be shown in as complete detail as is contained in the patent claim.” *See, e.g., Richardson v. Suzuki Motor Company Co.*, 868 F.2d 1226, 1236 (Fed. Cir. 1989). As this is not the case in Holtz, Applicants respectfully submit that the rejection is overcome. Applicants respectfully request reconsideration of the rejections to claims 1 and 25, as well as the claims depending from independent claims 1 and 25 rejected under §102 as being anticipated by Holtz, in light of the amendments and these comments.

Rejections under 35 USC §103:

The OA rejects claims 6-8 and 30-32 as being unpatentable over Holtz in view of Plotnick. Applicants respectfully traverse this rejection.

Per MPEP §2141, the guidelines for making a proper determination of obviousness have recently changed, and are guided by the decision by the Supreme Court in *KSR International Co. v. Tele-flex Inc.* (KSR), 550 U.S. \_\_\_, 82 (2007). MPEP §2141 states that the Court in KSR "...reaffirmed the familiar framework for determining obviousness as set forth in *Graham v. John Deere Co.*, 383 U.S. 1 (1966). The *Graham* analysis requires, in addition to a determination of the scope and contents of the prior art, a determination of the differences between the prior art and an applicant's invention and the level of ordinary skill in the pertinent art. Where there are differences, an Office Action "...must explain why the difference(s) would have been obvious to one of ordinary skill in the art." *Id.* Specifically, there must be a "...clear articulation of the reason(s) why the claimed invention would have been obvious." *Id.*

In making the case for obviousness, the Examiner has the burden of establishing the case in a well-reasoned and articulate way. "To facilitate review, this analysis should be made explicit." *KSR* at 14, citing *In re Kahn*, 441 F. 3d 977, 988 (CA Fed. 2006) "[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." *Id.*

This burden exists because "a patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art." *KSR* at 14. Where an invention is contended to be obvious based upon a combination of references, one should be able to identify particular reasons that would have prompted one of ordinary skill in the art to combine the prior art elements. *See KSR* at 14-15. The requirement prevents the use of "...the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentability – the essence of hindsight." *Ecolochem, Inc. v. So. Cal. Edison Co.*, 227 F.3d 1361, 1371-72 (Fed Cir. 2000) (quoting *In re Dembiczak*, 175 F.3d 994, 999 (Fed. Cir. 1999)).

Here, Applicants respectfully submit that the combination of Holtz and Plotnick fails to teach an integrated image configured to appear as a picture-in-picture display with the barker advertising the content of potential interest to the user presented as a first picture within a second picture of the video file. Applicants have set forth above that Holtz alone fails to teach this element. The combination of Plotnick with Holtz does

nothing to remedy this deficiency. Further, there is no rationale set forth in the OA why one of ordinary skill in the art would be motivated to include this element claimed by Applicants in light of its absence in the combination of Holtz and Plotnick. For these reasons, Applicants respectfully submit that the §103 rejection is overcome. Applicants respectfully request reconsideration of the rejection in light of these comments.

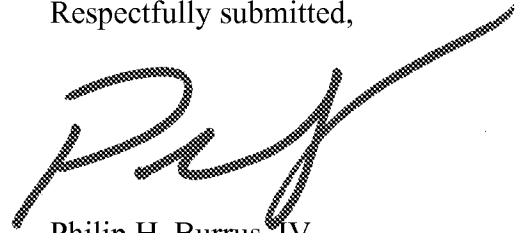
*New Claims:*

Claims 48-51 have been added. Support for the amendments is found in Applicants' specification at paragraphs [033], [053], [047]-[049], FIG. 2, and FIG. 3B. Other minor amendments have been made to select claims to correct issues of antecedent basis. Applicants respectfully submit that these new claims are allowable over both Holtz and the combination of Holtz and Plotnick for the reasons set forth above.

**CONCLUSION**

For the above reasons, Applicants believe the specification and claims are now in proper form, and that the claims all define patentably over the prior art. Applicants believe this application is now in condition for allowance, for which they respectfully submit.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "P. Burrus, IV", with a long, sweeping horizontal stroke extending to the right.

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